



Department of Medicaid

Mike DeWine, Governor
Jon Husted, Lt. Governor

Maureen M. Corcoran, Director

Medicaid Transmittal Letter (MTL) No. 3334-22-01

TO: Eligible Providers of Medicaid Services
Chief Executive Officers, Managed Care Plans (MCPs)

FROM: Maureen M. Corcoran, Director

SUBJECT: Rule Updates as of July 1, 2022: Direct Reimbursement of Medicaid Covered Services

Summary

Ohio Administrative Code Rule 5160-1-60.2, entitled “Direct reimbursement for out-of-pocket expense incurred for medicaid covered service”, was reviewed as part of the five-year review process and was rescinded as more than fifty percent was amended. A new rule of the same name and title was adopted as of 7/1/2022 to replace the rescinded rule. The rule describes the Ohio Department of Medicaid's (ODM) coverage policies for direct reimbursement to individuals who have erroneously incurred medical costs. The rule defines the criteria applicants for reimbursement must meet in order to be eligible for reimbursement consideration as well as the steps the applicants must follow in order to receive reimbursement for expenses from Medicaid covered services.

Ohio Administrative Code Rule 5160-1-60.2, entitled “Direct reimbursement for out-of-pocket expenses incurred for medicaid covered services during approved eligibility periods”, has been adopted as of 7/1/2022 to replace the rescinded rule. The rule contains the same information from the rescinded rule and continues to describe the Ohio Department of Medicaid's (ODM) coverage policies for direct reimbursement to individuals who have erroneously incurred medical costs. The rule defines the criteria applicants for reimbursement must meet in order to be eligible for reimbursement consideration as well as the steps the applicants must follow in order to receive reimbursement for expenses for Medicaid covered services.

The rule was updated to include direct reimbursement eligibility for any retroactive eligibility period where Medicaid covered services are rendered as well as incorporate the requirements for direct reimbursement upon the managed care entities (MCE). The definition of a ‘Medicaid covered service’ was revised to better define the services eligible for direct reimbursement as well as include providers and services delivered under an MCE. Language throughout the rule referring only to ODM was revised to incorporate MCEs. Language was also added in the new rule to clarify that reimbursement is only eligible for covered physician and dental services pursuant to 42 C.F.R. 447.25. For better clarity, the timeframe for a non-responsive provider that agrees to reimburse the individual but fails to do so was explicitly stated to be ninety days. Restrictions were added for direct reimbursement requiring applicants to meet timely filing requirements, prohibit reimbursement for Medicare part A out-of-pocket expenses, and require that third party reimbursement is not available for the service. Clarification that direct reimbursements will not exceed the Medicaid maximum allowed amount is stated in the new rule. Finally, the provision regarding notice and hearing rights was reworded for clarity.

Access to Rules and Related Material

The main Ohio Department of Medicaid (ODM) web page includes links to valuable information about its services, programs, and rules; the address is <http://www.medicaid.ohio.gov>

Additional Information

Questions pertaining to this letter should be addressed to:

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